

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 1171 - HB 1410

March 26, 2009

SUMMARY OF BILL: Creates the Department of Aging and transfers the existing duties and employees of the Commission on Aging and Disability to the newly created Department.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Net Impact - \$103,000

Increase Federal Expenditures- Net Impact - \$309,000

Funding in the amount of \$51,095,900 is included in the Governor's proposed FY09-10 budget for the Commission on Aging and Disability.

Assumptions:

- The salary (\$129,413) and benefits (\$44,000) for the new Commissioner of Aging is estimated at \$173,413.
- The new Department will have two Assistant Commissioners with salary (\$94,356) and benefits (\$32,081) estimated at \$126,437 each resulting in an increase in expenditures of \$252,874.
- Each Assistant Commissioner will employ an Administrative Assistant 1 with salary (\$31,849) and benefits (\$10,828) estimated at \$42,677 each resulting in an increase in expenditures of \$85,354.
- The Commission on Aging and Disability estimates the Department will need three administrative clerks with salary (\$19,191) and benefits (\$6,525) estimated at \$25,716 each resulting in an increase in expenditures of \$77,148.
- A current Attorney 3 position with the Commission will be promoted to the General Counsel resulting in an increase in expenditures of \$6,661 for additional salary and benefits.
- A current Administrative Services Manager position with the Commission will be promoted to Fiscal Director resulting in an

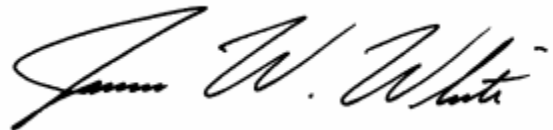
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increase in expenditures of \$6,545 for additional salary and benefits.

- All existing employees of the Commission will transfer to the Department.
- There will be no additional cost for new office space.
- The total increase in expenditures is estimated to be \$601,955.
- There would no longer be a Commission that meets quarterly. Such will result in a decrease in expenditures of \$35,086.
- The position of Executive Director of the Commission on Aging and Disability would be dissolved. The current salary and benefits for the Executive Director of the Commission on Aging and Disability is \$154,975.
- The net increase in expenditures is estimated to be \$411,934.
- According to the Commission on Aging and Disability, the Department will receive a 75 percent federal match rate.
- Of the \$411,934 in increased expenditures, \$102,984 will be in state funds at a rate of 25 percent and \$308,950 will be in federal funds at a match rate of 75 percent.
- According to the Governor's FY09-10 Proposed Budget Document, the Commission on Aging and Disability has 57 full-time employees with an estimated budget of \$51,710,400 for FY08-09. Of this amount, \$13,826,400 is state funds, \$27,973,600 is federal funds, and \$9,910,400 is from other sources.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible.

James W. White, Executive Director

/kml